

**DEPARTMENT OF STATE REVENUE  
LETTER OF FINDINGS NUMBER: 02-0329  
SALES AND USE TAX  
FOR TAX PERIODS: 1996-2000**

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**ISSUES**

**I. Sales and Use Tax: Imposition**

**Authority:** IC 6-8.1-5-1(b), IC 6-2.5.2-1.

The taxpayer protests the assessment of sales tax.

**STATEMENT OF FACTS**

The taxpayer is a sole proprietor who operates a commercial printing business. After an audit, the Indiana Department of Revenue assessed additional sales and use tax, interest, and penalty. The taxpayer protested the assessment. A hearing was scheduled. The taxpayer did not appear for the hearing. Therefore, this Letter of Findings is based on the documentation in the file.

**I. Sales and Use Tax: Imposition**

**DISCUSSION**

An Indiana Department of Revenue Notice of Proposed Assessment is presumed to be accurate and taxpayers carry the burden of proving that a proposed liability is inaccurate. IC 6-8.1-5-1(b).

Indiana imposes a sales tax on retail transactions made in Indiana. The retail merchant has the duty of collecting the tax from the purchaser and remitting the tax to the state. IC 6-2.5-2-1. The taxpayer collected sales tax from its customers and failed to remit the tax to the state. The audit properly imposed the collected but unremitted sales tax on the taxpayer.

**FINDING**

The taxpayer's protest is denied.